

Chinese Communist sources state that Yao people have strictly forbidden their children to intermarry with the Han Chinese since the latter are hated and distrusted by the Yao people.²⁴ Taking account of the Kuomintang government's desire to assimilate the minorities, and the Communists' exaggeration of minority sufferings under "undemocratic government," the real attitude of the Yao toward the Han Chinese must be somewhere between the two extremes. One must not ignore the fact that the superiority of Han Chinese culture is readily recognized by the Yao people, and this recognition often leads to ready assimilation of the Yao people into Han communities, provided that the latter do not raise too high a barrier against the Yao. The hardships of the Yao people are due to the following conditions detrimental to a prosperous community:

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1. Yao peasants have to pay high rent for land under their cultivation; not infrequently, rent runs as high as 70 per cent of the total crop yield.

2. The land under their cultivation is generally low in productivity; consequently, Yao peasants are usually short of food a part of every year. To alleviate the situation, Yao peasants

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24. Min-tsu Cheng-t'se Wen-hsien Hui-pien, p. 103. (cited above).

often resort to mortgaging to their landlords the green plants standing in the field for two- or three-tenths of the regular crop price, and thus further aggravate their next year's economic situation.

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3. Lack of incentive and indulgence in liquor are prevalent in Yao communities and stem from the impossible economic situation in which the peasants find themselves.

Under the Communists, several hsien governments in Kwangsi have started moving Yao people from the mountains to the flat land to clear new land for cultivation or to share agricultural land confiscated from Han and Chuang landlords.²⁵ However, the Han and Chuang communities on the flat land are probably not very cordial to these immigrant Yao people, for there are cases in which some Yao people, after being given land in Han and Chuang communities, chose to return to their old habitat in the mountains. Recent Chinese Communist news dispatches claim an unusual effort on the part of the Communist cadres to foster friendliness between these ethnic groups.

Yao people have the custom of cultivating each other's fields in groups. This custom is

25. Jen-min Jih-pao, Peking, March 11, 1950; June 25, 1952.

Hankow and then from Canton.

Two minor monetary institutions -- pawnshops and firms dealing with overseas remittances -- were treated in different ways; one monetary organization was liquidated and the other is being rigidly controlled. Most pawnshops in Central-South China, particularly those in Hankow and Canton, were small but profitable because they charged exorbitant interest rates. The larger ones were operated less successfully because of the postwar inflation. The Communists considered the pawnshops a credit mechanism which had contact with the poor masses, and took steps to drive them out of business by requiring them to increase their capital and restricting the number of objects against which loans could be made.

By the end of 1952 only a small number of pawnshops had survived; at that time the last ones were ordered closed.

There had been fifty-four firms dealing with overseas remittances in Canton. Realizing that these firms had close contact with the senders abroad and the recipients at home, and also that they had long experience in handling this kind of business, the Communists believed it necessary to keep them in operation for the purpose of securing foreign exchange. By special regulations governing firms engaged in overseas Chinese remittances, promulgated by the Communists in Canton, these firms were made agents of the government to handle overseas Chinese remittances; every transaction is under government control.

Thus the old banking structure was completely liquidated and the way was paved for the establishment of a Communist banking system.